

**frontier**

Michael J. Shortley, III  
Senior Attorney and Director  
Regulatory Services

180 South Clinton Avenue  
Rochester, NY 14646  
716-777-1028  
716-546-7823 fax  
716-777-6105

mshortle@frontiercorp.com

July 9, 1997

**BY OVERNIGHT MAIL**

Mr. William F. Caton  
Office of the Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

**Re: Access Charge Reform, CC Docket No. 96-262**

Dear Mr. Caton:

Enclosed for filing please find an original plus eleven copies of Frontier Corporation's Petition for Reconsideration in the above-docketed proceeding.

To acknowledge receipt, please affix an appropriate notation to the copy of this letter provided herewith for that purpose and return same to the undersigned in the enclosed, self-addressed envelope.

Very truly yours,

*Michael J. Shortley, III*

Michael J. Shortley, III

cc: International Transcription Service

0411



**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

RECEIVED  
JUL 10 1997  
FCC

In the Matter of	)	
	)	
Access Charge Reform	)	CC Dkt. 96-262
	)	
Price Cap Performance Review	)	CC Dkt. 94-1
for Local Exchange Carriers	)	
	)	
Transport Rate Structure	)	CC Dkt. 91-213
and Pricing	)	
	)	
End User Common Line	)	CC Dkt. 95-72
Charges	)	

**PETITION FOR RECONSIDERATION**

Michael J. Shortley, III

Attorney for Frontier  
Corporation

180 South Clinton Avenue  
Rochester, New York 14646  
(716) 777-1028

July 9, 1997

## Table of Contents

	<u>Page</u>
Summary .....	ii
Introduction .....	1
Argument .....	3
I. THE COMMISSION SHOULD RETAIN THE UNITARY RATE STRUCTURE .....	3
II. THE COMMISSION SHOULD DECLINE TO REALLOCATE COSTS FROM THE TRANSPORT INTERCONNECTION CHARGE TO THE TANDEM SWITCHING RATE ELEMENT .....	8
Conclusion .....	13

## Summary

Frontier submits this petition for reconsideration of limited aspects of the Commission's First Report in this proceeding. Frontier respectfully requests that the Commission reconsider those aspects of its First Report that require ILECs to eliminate, effective July 1, 1998, the unitary pricing option for tandem-switched transport, and to reallocate to the tandem switching revenue requirement many of the costs currently recovered through TIC over a three-year period commencing January 1, 1998.

The Commission's decision in both regards ignores substantial record evidence and numerous prior Commission decisions. The decision also fails to achieve the goals that the Commission has articulated.

Eliminating the unitary pricing option would achieve none of the Commission's objectives. It would not facilitate more cost-based pricing. The Commission assumes -- quite incorrectly and in the face of substantial record evidence to the contrary -- that dedicated transport utilizes *facilities* that are dedicated to one interexchange carrier. This conclusion ignores the shared-use nature of the ILECs' networks. As a result, the Commission's First Report does not encourage more efficient pricing. Rather, it confers an unwarranted competitive advantage upon AT&T, an advantage that is the vestige of AT&T's historical dominance.

Second, reallocating costs from the TIC to the tandem-switching rate element is arbitrary. The Commission has repeatedly recognized that the TIC

does not recover "costs," but rather, constitutes a subsidy. The Commission has, correctly, proposed targeting price cap index reductions occasioned by the price cap formula to the TIC in order to eliminate this subsidy over time. However, exporting to tandem-switched transport users "costs" that not only they do not cause to be incurred, but that do not exist in any economically meaningful sense, simply does not make any sense.

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

<b>In the Matter of</b>	)	
	)	
<b>Access Charge Reform</b>	)	<b>CC Dkt. 96-262</b>
	)	
<b>Price Cap Performance Review for Local Exchange Carriers</b>	)	<b>CC Dkt. 94-1</b>
	)	
<b>Transport Rate Structure and Pricing</b>	)	<b>CC Dkt. 91-213</b>
	)	
<b>End User Common Line Charges</b>	)	<b>CC Dkt. 95-72</b>
	)	

RECEIVED  
JUL 13 1997  
FCC

**PETITION FOR RECONSIDERATION**

**Introduction**

Frontier Corporation ("Frontier") submits this petition for reconsideration of limited aspects of the Commission's First Report in this proceeding.<sup>1</sup> Frontier respectfully requests that the Commission reconsider those aspects of its First Report that require incumbent local exchange carriers ("ILECs") to eliminate, effective July 1, 1998, the unitary pricing option for tandem-switched transport,<sup>2</sup> and to reallocate to the tandem switching revenue requirement many of the costs currently recovered through the transport interconnection charge ("TIC") over a three-year period commencing January 1, 1998.<sup>3</sup>

<sup>1</sup> *Access Charge Reform*, CC Dkt. 96-262, First Report and Order, FCC 97-158 (May 16, 1997) ("First Report"). The First Report was published in the Federal Register on June 11, 1997. 62 Fed. Reg. 31868 (June 11, 1997).

<sup>2</sup> *Id.*, ¶ 168.

<sup>3</sup> *Id.*, ¶ 167.

The Commission's decision in both regards ignores substantial record evidence and numerous prior Commission decisions. The decision also fails to achieve the goals that the Commission has articulated.<sup>4</sup>

Eliminating the unitary pricing option would achieve none of the Commission's objectives. It would not facilitate more cost-based pricing. The Commission assumes -- quite incorrectly and in the face of substantial record evidence to the contrary -- that dedicated transport utilizes *facilities* that are dedicated to one interexchange carrier.<sup>5</sup> This conclusion ignores the shared-use nature of the ILECs' networks. As a result, the Commission's First Report does not encourage more efficient pricing. Rather, it confers an unwarranted competitive advantage upon AT&T, an advantage that is the vestige of AT&T's historical dominance.

Second, reallocating costs from the TIC to the tandem-switching rate element is arbitrary. The Commission has repeatedly recognized that the TIC does not recover "costs," but rather, constitutes a subsidy. The Commission has, correctly, proposed targeting price cap index reductions occasioned by the price cap formula to the TIC in order to eliminate this subsidy over time. However, exporting to tandem-switched transport users "costs" that not only they

---

<sup>4</sup> The Commission's oft-stated goals are: (1) to encourage efficient use of transport facilities by allowing pricing that reflects the way costs are incurred; (2) to avoid interference with the development of interstate access competition; and (3) to facilitate full and fair interexchange competition. See, e.g., *Transport Rate Structure and Pricing*, CC Dkt. 91-213, Report and Order and Further Notice of Proposed Rulemaking, 7 FCC Rcd. 7006, 7009, ¶ 5 (1992) ("Transport First Report").

<sup>5</sup> First Report, ¶ 180.

do not cause to be incurred, but that do not exist in any economically meaningful sense, simply does not make any sense.<sup>6</sup>

### Argument

#### I. THE COMMISSION SHOULD RETAIN THE UNITARY RATE STRUCTURE.

The Commission grounds its decision to eliminate the unitary rate structure on its belief that it does not accurately reflect the way ILECs incur the costs of providing local transport services.<sup>7</sup> The Commission's further conclusions that the unitary rate structure distorts both access<sup>8</sup> and interexchange<sup>9</sup> competition are dependent upon its conclusions that the unitary rate structure is not cost-causative.

The Commission's conclusions are incorrect. The Commission asserts that -- for the dedicated component of tandem-switched transport -- *facilities* are dedicated to the use of a single interexchange carrier. The Commission, however, acknowledges that its hierarchical view of the ILECs' networks is outdated.<sup>10</sup> Despite this conclusion, the Commission attempts to justify its decision to eliminate the unitary rate structure as follows:

---

<sup>6</sup> Nothing in *Comptel v. FCC*, 87 F.3d 522 (D.C. Cir. 1996), requires the Commission to adopt this proposal. In *Comptel*, the D.C. Circuit vacated portions of the Commission's interim transport rate structure. However, the D.C. Circuit did not compel the Commission to adopt any particular set of alternatives. It merely required the Commission rationally to examine the alternatives available to it and properly to justify any future decisions that it reaches. The Court plainly did not give the Commission *carte blanche* to reach different conclusions that are equally arbitrary, capricious or not supported by substantial record evidence.

<sup>7</sup> First Report, ¶ 178.

<sup>8</sup> *Id.*, ¶ 179.

<sup>9</sup> *Id.*, ¶ 180.

<sup>10</sup> *Id.*, ¶ 188.



We conclude, however, that the differences WorldCom identifies do not support retention of the unitary rate structure because, even in a ring-based network, the three-part rate structure treats direct-trunked and tandem-switched transport consistently. *In a fiber-optic or ring-based network, dedicated, direct-trunked transport circuits are given a constant and exclusive time slot assignment on a large time-divisioned multiplexed fiber-optic cable.* The incumbent LEC routes traffic for the IXC purchasing the direct trunk onto the dedicated circuit or the time slot, where it is received elsewhere on the ring or in the network at the serving wire center. The direction or precise routing of the signal around the ring is irrelevant for purposes of the rate structure because the transport is priced on an airline-mileage basis between the two end points. *Capacity dedicated to a particular IXC, however, is not available to the LEC for other purposes.*<sup>11</sup>

The Commission's logic fails. The very same conditions the Commission identifies are equally true for common transport users as they are for dedicated transport users. A common transport user's traffic on a synchronous optical network ring is also given an exclusive time slot. While that capacity is being utilized by one IXC -- whether a dedicated or common transport user -- it is unavailable for use by the ILEC for any other purpose.<sup>12</sup>

In addition, the Commission *does not* treat the two consistently. Although the end points of the traffic -- end office and serving wire center -- are the same, the two types of transport users are assessed different charges. Direct-trunked transport users pay a single, flat-rated charge for the transport of their traffic. In

---

<sup>11</sup> *Id.* (emphasis added).

<sup>12</sup> This contrasts sharply with entrance facilities which -- because the traffic carried over those *facilities* is directed only to one interexchange carrier's point-of-presence -- are truly non-traffic sensitive in nature.

contrast, common transport users pay two discrete charges -- a flat-rated and a usage-sensitive charge for transport between the same two end points.

Indeed, given the ILECs' evolving transport and related signaling network architecture, it would have been more reasonable for the Commission to conclude that transport services -- except entrance facilities -- are more traffic sensitive than non-traffic sensitive in nature.<sup>13</sup>

Moreover, the Commission has consistently held that the three-part rate structure it adopted in the First Report would require tandem-switched transport users to pay for costs over which they have no control. As the Commission explained to the D.C. Circuit:

Inasmuch as the record does not show that users of tandem-switched or direct-trunked transport can exercise effective control over the routing between the end office and the serving wire center and does not contradict possible assertions that the same routing is frequently used for both forms of transport, the Commission was justified in concluding that it might be unfair to base direct-trunked transport on airline mileage and tandem-switched rates on actual mileage.<sup>14</sup>

In its First Report, the Commission failed to acknowledge -- must less distinguish -- its prior reasoning. Thus, the Commission's decision in this regard fails to satisfy its own goal of more cost-based pricing and also fails to explain

---

<sup>13</sup> This is not to say that the Commission should mandate the old equal charge per unit of traffic delivered rule. It does suggest, however, that the Commission has no basis -- in terms of its stated rationale of cost-causation -- for eliminating the unitary rate structure option.

<sup>14</sup> *Comptel v. FCC*, No. 95-1168, Brief for Federal Communications Commission at 34 (Dec. 14, 1995) ("FCC Br.").

the Commission's departure from its prior reasoning. Both failures are hallmarks of arbitrary and capricious agency action.<sup>15</sup>

Not only does the Commission's decision fail to achieve its first objective, it fails the test of achieving its second and third objectives as well. The Commission bases its conclusion that the unitary rate structure inhibits access competition on the proposition that "we have not corrected the non-cost based aspects of our tandem-switched transport rate structure...."<sup>16</sup> As Frontier has demonstrated, that premise is simply untrue. Thus, regardless of the claims of several access competitors "that the present unitary rate structure inhibits the development of competition in this area,"<sup>17</sup> the current unitary rate structure, in fact, does no such thing.<sup>18</sup> Thus, for the Commission to give credence to that claim would effectively provide a preferred advantage to one class of competitors over another. The Commission itself has recognized that this would be improper.<sup>19</sup>

In contrast to the minimal effects that the unitary rate structure has had on the competitiveness of the access market, its elimination would have devastating

---

<sup>15</sup> See, e.g., *Motor Vehicle Mfrs. Ass'n v. State Farm Mutual Auto Ins. Co.*, 463 U.S. 29, 43 (1983); *Comptel*, 87 F.3d at 536.

<sup>16</sup> First Report, ¶ 179.

<sup>17</sup> *Id.*

<sup>18</sup> The irony of the Commission's reasoning is that it would permit competitive access providers -- but not ILECs -- to offer end-to-end transport options to tandem-switched transport users, a point previously pointed out to the Commission. See *Comptel v. FCC*, No. 95-1168, Final Joint Brief of Interexchange Intervenors Supporting Respondent Federal Communications Commission in No. 95-1170 at 15-16 (Dec. 29, 1995).

<sup>19</sup> First Report., ¶ 180.

effects on interexchange competition. In this respect, the Commission justifies its decision to eliminate the unitary rate structure on the grounds that it has found AT&T to be non-dominant in the provision of most interexchange services.<sup>20</sup> Whatever the merits of that decision, it is utterly irrelevant in this context. The Commission's reasoning ignores the fact that only AT&T -- and possibly MCI and Sprint -- are able to take advantage of dedicated transport services. That is unrelated to whether AT&T currently meets the Commission's criteria for "dominance."

The "impact estimates" previously discussed by the Commission showed that even under the interim transport rate structure -- which retained the unitary pricing option -- smaller interexchange carriers would face an incremental cost disadvantage for transport services of 2.4% compared to AT&T.<sup>21</sup> That disadvantage is significant enough. Abandoning the unitary rate structure would markedly exacerbate that differential. For the dedicated link, it would require smaller interexchange carriers, such as Frontier, to purchase dedicated services -- largely at the DS-0 (voice grade) level -- while AT&T could provision a far larger proportion of its traffic over DS-3 circuits. The relative price difference between a DS-0 circuit and a DS-0 channel on a DS-3 circuit is substantial.<sup>22</sup> In

---

<sup>20</sup> *Id.* See *Motion of AT&T To Be Reclassified as a Non-Dominant Carrier*, 11 FCC Rcd. 3271 (1995)

<sup>21</sup> *Transport First Report*, 7 FCC Rcd. at 7041, ¶ 67.

<sup>22</sup> *Comptel v. FCC*, No. 95-1168, Final Brief of Petitioner Competitive Telecommunications Association at 12 (Feb. 2, 1996) ("Comptel Br.").

a highly competitive market, such cost differences, obviously, have significant competitive consequences.

Conferring such an advantage upon AT&T makes no economic or policy sense. Frontier has no argument with the Commission's basic premise that it should not artificially favor one competitor over another. Yet, what the Commission proposes accomplishes precisely that result. Because the Commission's decision does not advance any accepted principles of cost-causation, its decision to confer an unwarranted competitive advantage upon AT&T is entirely unjustified.

**II. THE COMMISSION SHOULD DECLINE TO  
REALLOCATE COSTS FROM THE  
TRANSPORT INTERCONNECTION CHARGE  
TO THE TANDEM SWITCHING RATE  
ELEMENT.**

In its interim transport orders, the Commission not only established the dedicated/common transport dichotomy, it calibrated the prices for dedicated transport to the then-existing rates for functionally equivalent special access services.<sup>23</sup> The D.C. Circuit did not disturb this portion of the Commission's decision.

As a result of this repricing, approximately 72% of the ILECs' former local transport revenue requirement would have potentially gone unrecovered.<sup>24</sup> To ameliorate this concern, the Commission: (a) established the TIC; and (b) allocated 20% of the unaccounted-for revenue requirement to the tandem

---

<sup>23</sup> Transport First Report, 7 FCC Rcd. at 7028-29, ¶¶ 43-44.

<sup>24</sup> See Comptel Br. at 18.

switching charge and 80% to the TIC, which was assessed on all users of local switching.<sup>25</sup> The Court remanded the Commission's distribution of the residual on the grounds that the Commission failed to justify the allocation.<sup>26</sup>

In its First Report, the Commission addressed the Court's remand in two ways. First, it directed that price cap index reductions resulting from the operation of the price cap formula first be targeted to reduce the TIC.<sup>27</sup> Second, the Commission ordered that the remaining portion of the TIC be allocated to the tandem switching rate element over a three-year period commencing January 1, 1998.<sup>28</sup> The first portion of this aspect of the Commission's decision was correct; the second portion was wrong and should be reconsidered.

The Commission justified the latter portion of its decision as follows:

Based on the record in this proceeding, we reallocate much of the remaining 80% of the tandem switch revenue requirement back to the tandem switching rate element in three steps. *We conclude that this action is most consistent with cost-causation*, and with the general approach we are taking in this Order regarding pricing issues.<sup>29</sup>

---

<sup>25</sup> Transport First Report, 7 FCC Rcd. at 7009-10, ¶ 6.

<sup>26</sup> *Comptel*, 87 F.3d at 529-32.

<sup>27</sup> First Report, ¶ 236.

<sup>28</sup> *Id.*, ¶ 167.

The Commission also made other -- somewhat technical -- changes in the rate element structure and calculations for recovering that portion of the TIC reallocated back to the tandem switching rate element. *Id.*, ¶¶ 170-74.

<sup>29</sup> *Id.*, ¶ 196 (emphasis added).

The Commission apparently believes that the D.C. Circuit required this reallocation in order "to implement a cost-based tandem switching rate." *Id.*, ¶ 195.

With all due respect, the Commission's analysis is incorrect. *First*, the residual -- after the restructure and repricing of local transport -- *does not* represent a *tandem switching* revenue requirement. The Commission has previously recognized this very point. In its First Reconsideration Order, the Commission acknowledged that its "Part 36 separations and Part 69 access charge rules incorporate fully distributed costing approaches. Part 69 and other Commission rules do not explicitly define a methodology for a tandem revenue requirement...."<sup>30</sup> Although the Commission concluded that it could create one,<sup>31</sup> its methodology is simply a residual calculation which assigns costs uncovered by the facility elements to the tandem revenue requirement.

Thus, the tandem revenue requirement represents the potentially unrecovered transport basket revenues as a whole. That is, this residual is a basket -- not a rate element or service category -- shortfall. Thus, the Commission's unexplained assertion that the residual is attributable to a tandem switching revenue is simply incorrect.

*Second*, the Commission's characterization of its decision as "most consistent with cost-causation"<sup>32</sup> is -- for the same reasons -- equally incorrect. In previously allocating 80% of the residual to the TIC, the Commission concluded that it *could not* identify common transport users as the cost-causers of the residual. As the Commission explained to the D.C. Circuit:

---

<sup>30</sup> *Transport Rate Structure and Pricing*, CC Dkt. 91-213, First Memorandum Opinion and Order on Reconsideration, 8 FCC Rcd. 5370, 5378, ¶ 45 (1993).

<sup>31</sup> *Id.*

<sup>32</sup> First Report, ¶ 195.

The AT&T Brief may be implying that the entire difference between a transport revenue requirement produced by the interaction of the current rules and the revenues exchange carriers recover from the new tandem transmission charges is attributable to tandem switching. *The Commission most certainly did not find that this is the case and record in this proceeding could not support such a conclusion. The remaining transport revenue requirement is too large to reflect any reasonable estimate of tandem switching costs.*

\* \* \* \*

*The agency did not find that 100 percent of such a revenue requirement would be an appropriate cost-based tandem switching charge.*<sup>33</sup>

The D.C. Circuit did not conclude that the Commission was incorrect in this conclusion; it merely concluded that the Commission had failed to justify its 20/80 allocation.<sup>34</sup> The D.C. Circuit's decision can no more justify a 100/0 allocation -- "justified" by a mere ten words<sup>35</sup> -- than it justified the Commission's prior decision, which it remanded. This is particularly true where there is substantial evidence that would suggest that -- in any economically meaningful sense -- even the 20% of the residual that the Commission allocated to the

---

<sup>33</sup> FCC Br. at 25 (emphasis added).

<sup>34</sup> *Comptel*, 87 F.3d at 529-32.

<sup>35</sup> The D.C. Circuit recently chided the Commission for casting aside substantial record evidence that its default payphone compensation rate was too high with the pabulum "We disagree." See *Illinois Public Telecommunications Ass'n v. FCC*, No. 96-1394, slip op. at 15 (D.C. Cir. July 1, 1997) ("The FCC's *ipse dixit* conclusion, coupled with its failure to respond to contrary arguments resting on solid data, epitomizes arbitrary and capricious decisionmaking.").

In the same vein, the Commission may not ignore substantial record evidence and its own prior conclusion that even the 20 percent of the residual that it originally assigned to the tandem switching element was too high (see *infra* at 12) through the incantation "We conclude that this action is most consistent with cost-causation...." The Commission might as well just have said "We disagree."



tandem switching rate elements *over-allocates* costs attributable to common transport users.

As Comptel explained to the D.C. Circuit:

... the BellSouth data show that even 20% of the inflated TST-S [tandem switching] revenue requirement is far in excess of direct costs and reflects a discriminatory loading of overheads onto TST-S users. If the TST-S rate had been designed to impose 100% of the TST-S revenue requirement upon TST users, the result would have been to load astronomically disproportionate overheads onto the backs of smaller IXCs who depend upon TST routing.<sup>36</sup>

The Court remanded the Commission's interim transport decisions in part on this ground.<sup>37</sup> Even though the Commission previously agreed that this result would be inappropriate, its First Report achieves precisely this result. As was true in the interim transport proceeding, the record compiled in this proceeding cannot support the conclusion that even 20 percent -- much less 100 percent -- of the residual is properly attributable to tandem switching.<sup>38</sup> The most that can be said is that the Commission again failed properly to identify and allocate those costs.

In short, the Commission's decision to allocate most of the remaining residual to common transport users neither advances the Commission's stated rationale for its decision nor is consistent with the D.C. Circuit's remand.

---

<sup>36</sup> Comptel Br. at 24.

As noted *supra* at 11, even the Commission previously agreed with this characterization.

<sup>37</sup> *Comptel*, 87 F.3d at 532-33.

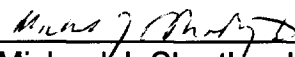
<sup>38</sup> *E.g.*, First Report, App. B, ¶¶ 86-87.

At the end of the day, the Commission may reasonably inquire, "What should be done?" The Commission's First Report itself suggests the answer. It ordered ILECs to target price cap reductions first to the TIC in order to eliminate this subsidy.<sup>39</sup> By taking this step, the Commission has appropriately responded to the D.C. Circuit's remand. By taking the next step and allocating essentially unallocatable costs to the tandem switching rate element, the Commission has run afoul of the remand. The Commission should, therefore, retain the 20/80 allocation and let the targeted price cap reductions alone remove the TIC from rates paid by interstate access customers.

### Conclusion

For the foregoing reasons, the Commission should reconsider those aspects of its First Report as suggested by Frontier herein.

Respectfully submitted,

  
\_\_\_\_\_  
Michael J. Shortley, III

Attorney for Frontier  
Corporation

180 South Clinton Avenue  
Rochester, New York 14646  
(716) 777-1028

July 9, 1997

---

<sup>39</sup> *Id.*, ¶ 236.

### **Certificate of Service**

I hereby certify that, on this 9th day of July, 1997, copies of the foregoing Petition for Reconsideration were served by first-class mail, postage prepaid, upon the parties on the attached service list.

  
\_\_\_\_\_  
Michael J. Shortley, III

COMPETITIVE PRICING DIVISION (2 CYS)  
COMMON CARRIER BUREAU  
ROOM 518  
1919 M STREET NW  
WASHINGTON DC 20554

INTERNATIONAL TRANSCRIPTION SERVICE  
ROOM 640  
1990 M STREET NW  
WASHINGTON DC 20036

GEORGIA PUBLIC SERVICE COMMISSION  
ATTENTION: MR BB KNOWLES  
DIRECTOR UTILITIES DIVISION  
144 WASHINGTON STREET SW/SOB - SUITE 266  
ATLANTA GEORGIA 30334-5701

LYMAN C WELCH  
190 S LASALLE STREET #3100  
CHICAGO IL 60603

PUBLIC UTILITY COMMISSION OF OREGON  
350 CAPITOL ST NE  
SALEM OR 97310-1380

PUBLIC UTILITY COMMISSION OF TEXAS  
1702 N CONGRESS AVE  
P O BOX 13326  
AUSTIN TX 78711-3326  
/ /

GVNW INC/MANAGEMENT  
KENNETH T BURCHETT  
VICE PRESIDENT  
7125 SW HAMPTON  
PORTLAND OR 97223

PENNSYLVANIA INTERNET SERVICE PROVIDERS  
SCOTT J RUBIN ESQ  
3 LOST CREEK DRIVE  
SELINGROVE PA 17870

PUBLIC SERVICE COMMISSION OF THE DISTRICT  
OF COLUMBIA  
LAWRENCE D CROCKER III  
ACTING GENERAL COUNSEL  
717 14TH STREET NW  
WASHINGTON DC 20005

NORTHERN ARKANSAS TELEPHONE COMPANY INC  
STEVEN G SANDERS - PRESIDENT  
301 EAST MAIN STREET  
FLIPPIN AR 72634

FROM MCI

(MON) 06. 09' 97 15:42/ST. 15:41/NO. 3561538063 P 3

AMERICAN LIBRARY ASSOCIATION  
CAROL C HENDERSON  
EXECUTIVE DIRECTOR  
ALA WASHINGTON OFFICE  
1301 PENNSYLVANIA AVENUE NW SUITE 403  
WASHINGTON DC 20004

ALLIED ASSOCIATED PARTNERS LP  
ALLIED COMMUNICATIONS GROUP  
GELD INFORMATION SYSTEMS  
CURTIS T WHITE  
MANAGING PARTNER  
4201 CONNECTICUT AVENUE NW - #402  
SUITE 402  
WASHINGTON DC 20008-1158

EDWARD HAYES JR ESQ  
1155 CONNECTICUT AVENUE NW  
THIRD FLOOR  
WASHINGTON DC 20036

RONALD DUNN  
PRESIDENT  
INFORMATION INDUSTRY ASSOCIATION  
1625 MASSACHUSETTS AVENUE NW  
SUITE 700  
WASHINGTON DC 20036

DANIEL J WETZNER  
ALAN E DAVIDSON  
CENTER FOR DEMOCRACY AND TECHNOLOGY  
1634 EYE STREET NW  
SUITE 1100  
WASHINGTON DC 20006

JOSEPH S PAYKEL  
ANDREW JAY SCHWARTZMAN  
GIGI B SOHN  
MEDIA ACCESS PROJECT  
1707 L STREET NW  
SUITE 400  
WASHINGTON DC 20036

GARY M EPSTEIN  
JAMES H BARKER  
LATHAM & WATKINS  
COUNSEL FOR BELL SOUTH CORPORATION &  
BELL SOUTH TELECOMMUNICATIONS INC  
1001 PENNSYLVANIA AVENUE NW  
SUITE 1300  
WASHINGTON DC 20004-2505

CITIZENS UTILITIES COMPANY  
RICHARD M TETTELEAUM  
ASSOCIATE GENERAL COUNSEL  
SUITE 500 1400 16TH STREET NW  
WASHINGTON DC 20036

JACK KRUMHOLTZ  
LAW AND CORPORATE AFFAIRS DEPARTMENT  
MICROSOFT CORPORATION  
SUITE 600  
5335 WISCONSIN AVENUE NW  
WASHINGTON DC 20015

NATIONAL CABLE TELEVISION ASSOCIATION INC  
DANIEL L BRENNER  
DAVID L NICOLL  
1724 MASSACHUSETTS AVENUE NW  
WASHINGTON DC 20036

FROM MCI

(MON) 06. 09' 97 15:43/ST. 15:41/NO. 3561538063 P 4

EXCEL TELECOMMUNICATIONS INC  
THOMAS K CROWE  
MICHAEL B ADAMS  
LAW OFFICES OF THOMAS K CROWE PC  
2300 M STREET NW  
SUITE 800  
WASHINGTON DC 20037

CABLE & WIRELESS INC  
RACHEL J ROTHSTEIN  
8219 LEESBURG PIKE  
VIENNA VA 22182

DANNY E ADAMS  
EDWARD A YORKGITS JR  
KELLEY DRYE & WARREN LLP  
1200 19TH STREET NW SUITE 500  
WASHINGTON DC 20036

TIMOTHY R GRAHAM  
ROBERT G BERGER  
JOSEPH SANDRI  
WINSTAR COMMUNICATIONS INC  
1146 19TH STREET NW  
WASHINGTON DC 20036

DANA FRIK  
MARK SIEVERS  
SWIDLER & BERLIN CHTD  
WINSTAR COMMUNICATIONS INC  
3000 K STREET NW SUITE 300  
WASHINGTON DC 20007

DANA FRIK  
TAMAR HAVERTY  
SWIDLER & BERLIN CHARTERED  
COUNSEL FOR TELCO COMMUNICATIONS GROUP  
INC  
3000 K STREET NW SUITE 300  
WASHINGTON DC 20007

AMERICA ONLINE INC  
WILLIAM W BURRINGTON  
JILL LESSER  
COUNSEL FOR AMERICA ONLINE INC  
1101 CONNECTICUT AVENUE NW  
SUITE 400  
WASHINGTON DC 20036

DONNA N LAMPERT  
JAMES A KIRKLAND  
JENNIFER A PURVIS  
MINTZ LEVIN COHN FERRIS GLOVSKY  
AND POPEO P C  
COUNSEL FOR AMERICA ONLINE INC  
701 PENNSYLVANIA AVENUE NW  
SUITE 900  
WASHINGTON DC 20004

DONALD B. VERRILLI, JR.  
JENNER & BLOCK  
601 THIRTEENTH STREET  
WASHINGTON, DC 20005

MICHAEL S FOX  
DIRECTOR REGULATORY AFFAIRS  
JOHN STAURULAKIS INC  
6315 SEABROOK ROAD  
SEABROOK MARYLAND 20706

FROM MCI

(MON) 06. 09 '97 15:43/ST. 15:41/NO. 3561538963 P 5

ROBERT S TONGREN  
CONSUMERS' COUNSEL  
OHIO CONSUMERS' COUNSEL  
77 SOUTH HIGH STREET 15TH FLOOR  
COLUMBUS OHIO 43266-0550

NATIONAL EXCHANGE CARRIER ASSOCIATION INC  
JOANNE SALVATORE BOCHIS  
PERRY S GOLDSCHIED  
100 SOUTH JEFFERSON ROAD  
WHIPPANY NEW JERSEY 07981

OZARKS TECHNICAL COMMUNITY COLLEGE  
P O BOX 5958  
SPRINGFIELD MO 65801

SDN USERS ASSOCIATION INC  
P O BOX 4014  
BRIDGEWATER NJ 08807

CHARLES D GRAY  
JAMES BRADFORD RAMSAY  
NATIONAL ASSOCIATION OF REGULATORY  
UTILITY COMMISSIONERS  
1201 CONSTITUTION AVENUE SUITE 1102  
POST OFFICE BOX 684  
WASHINGTON DC 20044

MICHAEL S PABIAN  
LARRY A PECK  
COUNSEL FOR AMERITECH  
ROOM 4H82  
2000 WEST AMERITECH CENTER DRIVE  
HOFFMAN ESTATES IL 60196-1025

TCA INC  
TELECOMMUNICATIONS CONSULTANTS  
F STEPHEN LAMB MAS MANAGER  
3617 BETTY DRIVE  
SUITE 1  
COLORADO SPRINGS CO 80917-5909

SCOTT L SMITH  
VICE PRESIDENT OF  
ALASKA TELEPHONE ASSOCIATION  
4341 B STREET SUITE 304  
ANCHORAGE AK 99503

WAYNE LEIGHTON PHD  
SENIOR ECONOMIST  
CITIZENS FOR A SOUND ECONOMY FOUNDATION  
1250 H STREET NW SUITE 700  
WASHINGTON DC 20005

BETTY D MONTGOMERY  
ATTORNEY GENERAL OF OHIO  
STEVEN T NOURSE  
ASST ATTY GENERAL  
PUBLIC UTILITIES SECTION  
180 EAST BROAD STREET  
COLUMBUS OH 43215-3793

FROM MCI

(MON) 06. 09' 97 15:43/ST. 15:41/NO. 3561538063 P 6

ICG TELECOM GROUP INC  
CINDY Z SCHONHAUT  
9605 EAST MAROON CIRCLE  
ENGLEWOOD CO 80112

ALBERT H KRAMER  
DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP  
ATTORNEY FOR ICG TELECOM GROUP INC  
2101 L STREET NW  
WASHINGTON DC 20037-1526

RONALD J BINZ - PRESIDENT  
DEBRA R BERLYN - EXECUTIVE DIRECTOR  
JOHN WINDHAUSEN JR - GENERAL COUNSEL  
COMPETITION POLICY INSTITUTE  
1156 15TH STREET NW SUITE 310  
WASHINGTON DC 20005

GENERAL COMMUNICATION INC  
KATHY L SHOBERT  
DIRECTOR FEDERAL AFFAIRS  
901 15TH STREET NW  
SUITE 900  
WASHINGTON DC 20005

MCI TELECOMMUNICATIONS CORPORATION  
BRADLEY C STILLMAN - SENIOR COUNSEL  
1801 PENNSYLVANIA AVENUE NW  
WASHINGTON DC 20006

SPRINT CORPORATION  
LEON M KESTENBAUM  
JAY C KETHLEY  
H RICHARD JUHNKE  
1850 M STREET NW 11TH FLOOR  
WASHINGTON DC 20036

WORLDCOM INC  
CATHERINE R SLOAN  
1120 CONNECTICUT AVENUE NW  
WASHINGTON DC 20036-3902

WORLDCOM INC  
RICHARD J HEITMANN  
515 EAST AMITE  
JACKSON MS 39201-2702

ALEX J HARRIS  
WORLDCOM INC  
33 WHITEHALL STREET  
15TH FLOOR  
NEW YORK NY 10004

PETER A ROHRBACH  
DAVID L SIERADZKI  
F WILLIAM LEBEAU  
HOGAN & HARTSON L.L.P.  
555 13TH STREET NW  
WASHINGTON DC 20004-1109



AMERICAN PETROLEUM INSTITUTE  
KELLER AND HECKMAN LLP  
WAYNE V BLACK  
C DOUGLAS JARRETT  
SUSAN M HAFELI  
PAULA DEZA  
1001 G STREET NW  
SUITE 500 WEST  
WASHINGTON DC 20001

COMPETITIVE TELECOMMUNICATIONS  
ASSOCIATION  
GENEVIEVE MORELLI  
EXECUTIVE VICE PRESIDENT  
AND GENERAL COUNSEL  
1900 M STREET NW SUITE 800  
WASHINGTON DC 20036

CHARLES C HUNTER  
CATHERINE M HANNAN  
HUNTER & MOW PC  
TELECOMMUNICATIONS RESELLERS ASSOCIATION  
1620 I STREET NW  
SUITE 701  
WASHINGTON DC 20006

NYNEX TELEPHONE COMPANIES  
JOSEPH DIBELLA  
1300 I STREET NW SUITE 400 WEST  
WASHINGTON DC 20005

FLEISCHMAN AND WALSH LLP  
COUNSEL TO  
LCI INTERNATIONAL TELECOM CORP  
1400 SIXTEENTH STREET NW  
WASHINGTON DC 20036

AD HOC TELECOMMUNICATIONS USERS  
COMMITTEE  
COLLEEN BOOTHBY  
JAMES S BLASZAK  
KEVIN S DILALLO  
SASHA FIELD  
LEVINE BLASZAK BLOCK & BOOTHBY  
1300 CONNECTICUT AVENUE NW  
SUITE 500  
WASHINGTON DC 20036

ROBERT J AAMOTH  
JONATHAN E CANIS  
REED SMITH SHAW & MCCLAY  
ATTORNEYS FOR  
COMPETITIVE TELECOMMUNICATIONS  
ASSOCIATION  
1301 K STREET NW  
SUITE 1100 - EAST TOWER  
WASHINGTON DC 20005

BELL ATLANTIC TELEPHONE COMPANY  
EDWARD SHAKIN  
1320 NORTH COURT HOUSE ROAD  
EIGHTH FLOOR  
ARLINGTON VA 22201

UNITED STATES TELEPHONE ASSOCIATION  
MARY MCDERMOTT  
LINDA KENT  
KEITH TOWNSEND  
HANCE HANEY  
1401 H STREET NW SUITE 600  
WASHINGTON DC 20005

ACC LONG DISTANCE CORP  
DANA FRIK  
TAMAR HAVERTY  
SWIDLER & BERLIN CHARTERED  
3000 K STREET NW SUITE 300  
WASHINGTON DC 20007